

**BEFORE THE
ILLINOIS COMMERCE COMMISSION**

Request for Public Comment Concerning the
Implementation of Governor Blagojevich's proposal for a
Sustainable Energy Plan

**COMMENTS OF
J. T. Katrakis & Associates, Inc.**

J. T. Katrakis & Associates, Inc. respectfully submits the following comments to the Illinois Commerce Commission's (ICC) in response to the Request for Public Comments Concerning the Implementation of Governor Blagojevich's proposal for a Sustainable Energy Plan for Illinois (the Plan).

Introduction

We are a Chicago area engineering firm specializing in the design and upgrade of buildings for enhanced energy and environmental performance. Our services include Mechanical, Electrical, Plumbing (MEP) design, project management and implementation assistance, site assessments, surveys and monitoring of field conditions, building energy systems and lighting simulations, commissioning. We also have associates that specialize in environmental assessments and productivity analysis for industrial customers. In the last four years we have also been providing LEED consulting services to a variety of customers and helped write the City of Chicago's first city-wide building energy code. We work with commercial, institutional, industrial and residential customers to pursue all opportunities to reduce energy costs and consumption. We do much work with existing buildings—working closely with management and staff to identify and implement low/no cost operational changes as well as capital-intensive improvements. Our experience with existing buildings enhances our services for new construction and major renovation projects. Our present projects include engineering a geothermal HVAC system, combined with energy recovery ventilators and natural ventilation systems for a new facility, providing LEED consulting and commissioning services on a variety of projects pursuing Silver, Gold and Platinum ratings.

Discussion

We strongly support the plan and believe that it represents the best and most comprehensive means available for creating a sustainable energy future for Illinois. The proposed Renewable Portfolio Standard and Energy Efficiency Portfolio Standard will help improve electric reliability, enhance the environment, lower the cost of doing business in the state, and create jobs. These results can only be achieved by implementing the Plan as proposed by Governor Blagojevich.

In our view, the renewable portfolio standard represents an effective tool for ensuring the procurement of energy from renewable sources. This plan addresses imbalances within the energy sector that have held back renewable resources from competing with conventional resources.

Similarly, the energy efficiency portfolio standard is well designed to achieve its purpose. It is our opinion that it will go a long way toward reducing energy use and electric demand, while also producing significant environmental benefits. The economic benefits are equally compelling. Many new jobs will be created for the individuals and companies that provide these energy efficiency services. These will involve various trades (contractors, product dealers, architects, construction workers, etc.), and will involve the acquisition of important new skill sets. Illinois households and businesses will enjoy lower utility bills and will consequently have more disposable income to spend or save, and capital will be freed up for business expansion and new hiring.

In implementing the Energy Efficiency Portfolio Standard, it is critical to the success of this plan that the competitive long-term contracts awarded to efficiency services providers achieve not only demand reduction (KW) but also overall energy savings (kWh) to avoid a load shifting problem and to ensure a permanent solution. Furthermore, we applaud the Governor's proposal for long-term contracts to allow for true market transformation to take place and for permanent sustainable energy efficiency measures to be implemented. For example, Heating, Ventilation and Air Conditioning (HVAC) systems typically account for over 30% of the energy requirements of homes, businesses and institutions, yet many of the programs implemented by other states have not adequately addressed this end use. Many of the programs adopted by other

states focus on “quick-fix” measures like lighting, whereas very little effort is expended on more complex measures like HVAC, where substantial opportunities to capture energy savings and demand reduction are being overlooked. In our view, to serve the needs of Illinois ratepayers, the programs selected for funding must strike a balance between short-term “quick-fix” measures and measures that significantly reduce energy use and demand, that have long useful lives and low likelihood of removal or being over-ridden by a less-committed customer.

To that end we strongly support the Governor’s recommendation that the ICC establish an Illinois Sustainable Energy Advisory Council to ensure the Plan’s successful implementation. Furthermore, we strongly support the Governor’s recommendation that \$10 million be made available to support the energy efficiency programs administered by the Department of Commerce and Economic Opportunity (DCEO). It is our experience that, despite best intentions, the programs selected by electric utilities and alternative retail electric suppliers can not address all necessary gaps on the road to market transformation – DCEO can help fill such gaps. Some program activities can be hard to quantify, yet they are essential to building the local infrastructure and to achieving the set energy efficiency goals (such as training for building trades, building operators, engineers, architects and design professionals). These obstacles should be addressed by DCEO and not left without the attention they require.

Conclusion

In conclusion, we believe that the Sustainable Energy Plan represents a very real opportunity to advance the use of renewable technologies and addressing the state’s energy and environmental needs. We strongly support the Plan as proposed by Governor Blagojevich and urge Chairman Hurly and the ICC to commence with implementation for the good of Illinois and its citizens.

Respectfully submitted this 9th day of March, 2005,

John T. Katrakis, P.E. LEED AP, CxP
J. T. Katrakis & Associates
418 North Avenue
Barrington, IL 60010
Telephone: 847-382-1877
Facsimile: 847-382-8595
E-Mail: jtkatrakis@sbcglobal.net
Website: www.jtkatrakis.com